

MAJOR UNITED KINGDOM AIRLINES - INDIVIDUAL AIRLINES BALANCE SHEET SUMMARY 2004 - 2012

Table 2.5

(£ Million)

|                                                            | TOTAL UK<br>AIRLINES | 2004<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES | TOTAL UK<br>AIRLINES | 2005<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES |
|------------------------------------------------------------|----------------------|--------------------------------|----------------------|----------------------|--------------------------------|----------------------|
| <b>ASSETS EMPLOYED :</b>                                   |                      |                                |                      |                      |                                |                      |
| <b>OPERATING EQUIPMENT AND PROPERTY (Owned and Leased)</b> |                      |                                |                      |                      |                                |                      |
| Aircraft fleet (including spares)                          | 12 638.9             | 10 223.6                       | 2 415.3              | 13 135.8             | 10 748.9                       | 2 386.9              |
| Less: provision for depreciation                           | 4 841.7              | 3 865.4                        | 976.2                | 5 384.5              | 4 516.6                        | 868.0                |
| Aircraft fleet after depreciation                          | 7 797.2              | 6 358.1                        | 1 439.1              | 7 751.3              | 6 232.3                        | 1 519.0              |
| Property and other equipment                               | 2 542.1              | 2 081.0                        | 461.1                | 2 523.2              | 2 042.0                        | 481.2                |
| Less: provision for depreciation                           | 1 124.4              | 817.0                          | 307.4                | 1 161.6              | 836.0                          | 325.6                |
| Property and other equipment after depreciation            | 1 417.7              | 1 264.0                        | 153.7                | 1 361.6              | 1 206.0                        | 155.6                |
| Payments on account of aircraft under construction         | 227.9                | -                              | 227.9                | 197.0                | -                              | 197.0                |
| <b>TOTAL</b>                                               | <b>9 442.8</b>       | <b>7 622.1</b>                 | <b>1 820.7</b>       | <b>9 309.8</b>       | <b>7 438.3</b>                 | <b>1 871.5</b>       |
| <b>INVESTMENTS</b>                                         |                      |                                |                      |                      |                                |                      |
| Group                                                      | 1 199.0              | 1 195.1                        | 3.9                  | 1 381.2              | 1 349.9                        | 31.3                 |
| Others                                                     | 67.8                 | 30.0                           | 37.8                 | 45.4                 | 30.0                           | 15.4                 |
| <b>TOTAL</b>                                               | <b>1 266.8</b>       | <b>1 225.1</b>                 | <b>41.7</b>          | <b>1 426.5</b>       | <b>1 379.9</b>                 | <b>46.7</b>          |
| <b>CURRENT ASSETS</b>                                      |                      |                                |                      |                      |                                |                      |
| Stocks and work in progress                                | 182.7                | 75.9                           | 106.8                | 155.7                | 77.1                           | 78.6                 |
| Debtors and prepayments                                    | 2 457.4              | 970.8                          | 1 486.7              | 2 369.8              | 1 070.2                        | 1 299.7              |
| Short term deposits                                        | 1 609.1              | 1 541.7                        | 67.4                 | 1 558.2              | 1 530.7                        | 27.5                 |
| Bank balance and cash                                      | 1 196.4              | 57.1                           | 1 139.3              | 2 325.1              | 835.0                          | 1 490.1              |
| Group companies advances and debts currently receivable    | 927.8                | 234.0                          | 693.8                | 748.5                | 111.9                          | 636.6                |
| Other items                                                | 10.7                 | -                              | 10.7                 | 56.2                 | -                              | 56.2                 |
| <b>TOTAL</b>                                               | <b>6 384.2</b>       | <b>2 879.5</b>                 | <b>3 504.7</b>       | <b>7 213.5</b>       | <b>3 624.9</b>                 | <b>3 588.6</b>       |
| <b>Less: CURRENT LIABILITIES</b>                           |                      |                                |                      |                      |                                |                      |
| Creditors and accruals                                     | 2 645.4              | 1 265.0                        | 1 380.4              | 2 695.9              | 1 405.8                        | 1 290.1              |
| Traffic revenue received in advance                        | 1 231.3              | 853.0                          | 378.4                | 1 462.1              | 1 013.4                        | 448.8                |
| Taxation and Social Security                               | 93.8                 | 57.0                           | 36.8                 | 172.6                | 114.1                          | 58.4                 |
| Dividends                                                  | 10.1                 | -                              | 10.1                 | 2.8                  | -                              | 2.8                  |
| Bank overdrafts and short term loans                       | 107.6                | 42.7                           | 64.8                 | 246.6                | 66.3                           | 180.3                |
| Instalments of borrowings and hire purchase (1 yr)         | 425.4                | 376.5                          | 48.9                 | 421.7                | 386.7                          | 35.0                 |
| Group Companies advances and debts currently payable       | 2 246.1              | 1 424.0                        | 822.1                | 1 747.3              | 1 415.8                        | 331.5                |
| Other Items                                                | 258.1                | -                              | 258.1                | 423.4                | 37.0                           | 386.4                |
| <b>TOTAL CURRENT LIABILITIES</b>                           | <b>7 017.8</b>       | <b>4 018.2</b>                 | <b>2 999.6</b>       | <b>7 172.4</b>       | <b>4 439.2</b>                 | <b>2 733.3</b>       |
| <b>TOTAL NET CURRENT ASSETS / LIABILITIES</b>              | <b>( 633.6)</b>      | <b>(1 138.7)</b>               | <b>505.1</b>         | <b>41.1</b>          | <b>( 814.3)</b>                | <b>855.4</b>         |
| <b>INTANGIBLE ASSETS</b>                                   |                      |                                |                      |                      |                                |                      |
| Pre- operational training and development                  | 309.6                | -                              | 309.6                | -                    | -                              | -                    |
| Goodwill Net Book Value                                    | 3.9                  | -                              | 3.9                  | 297.2                | -                              | 297.2                |
| Other items                                                | 141.0                | 102.1                          | 38.9                 | 194.6                | 142.1                          | 52.6                 |
| <b>TOTAL INTANGIBLE ASSETS</b>                             | <b>454.5</b>         | <b>102.1</b>                   | <b>352.4</b>         | <b>491.8</b>         | <b>142.1</b>                   | <b>349.7</b>         |
| <b>OTHER ASSETS</b>                                        |                      |                                |                      |                      |                                |                      |
| <b>TOTAL OTHER ASSETS</b>                                  | <b>0.2</b>           | <b>-</b>                       | <b>0.2</b>           | <b>196.6</b>         | <b>196.4</b>                   | <b>0.2</b>           |

**AMOUNTS RECEIVABLE (more than one year)**

|              |          |         |         |          |         |         |
|--------------|----------|---------|---------|----------|---------|---------|
| Group        | -        | -       | -       | -        | -       | -       |
| Other        | 28.3     | -       | 28.3    | 9.1      | -       | 9.1     |
| TOTAL ASSETS | 10 559.1 | 7 810.7 | 2 748.4 | 11 474.9 | 8 342.3 | 3 132.6 |

**Financed by: SHAREHOLDERS FUNDS**

|                       |         |         |        |         |       |        |
|-----------------------|---------|---------|--------|---------|-------|--------|
| Share Capital         | 665.5   | 270.8   | 394.7  | 773.5   | 282.8 | 490.7  |
| Share Premium account | 1 351.5 | 788.4   | 563.0  | 1 521.5 | 888.7 | 632.8  |
| Capital Reserves      | 244.7   | -       | 244.7  | 57.0    | -     | 57.0   |
| Revenue Reserves      | 1 250.0 | 957.5   | 292.5  | 797.2   | 557.0 | 240.2  |
| Revaluation Reserves  | 255.6   | 255.1   | 0.5    | ( 0.1)  | -     | ( 0.1) |
| Other Reserves        | ( 31.1) | ( 25.9) | ( 5.2) | 96.0    | 95.9  | 0.1    |

**BORROWINGS ETC (replayable more than one year ahead]**

|                                     |         |         |       |         |         |       |
|-------------------------------------|---------|---------|-------|---------|---------|-------|
| Advances from other Group Companies | 577.7   | 420.0   | 157.7 | 710.8   | 411.0   | 299.8 |
| Bank Loans                          | 1 149.3 | 797.3   | 352.0 | 1 005.9 | 742.6   | 263.3 |
| Other Loans                         | 248.2   | 208.8   | 39.4  | 2 077.3 | 2 029.5 | 47.8  |
| Hire Purchase Liabilities           | 3 073.6 | 2 906.8 | 166.8 | 2 660.6 | 2 542.5 | 118.1 |

**DEFERRED LIABILITIES**

|               |          |         |         |          |         |         |
|---------------|----------|---------|---------|----------|---------|---------|
| Taxation      | 1 429.7  | 1 166.2 | 263.5   | 1 083.2  | 792.3   | 290.9   |
| Other         | 344.5    | 65.7    | 278.8   | 692.0    | -       | 692.0   |
| TOTAL FINANCE | 10 559.1 | 7 810.7 | 2 748.4 | 11 474.9 | 8 342.3 | 3 132.6 |

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Table 2.5

(£ Million)

|                                                            | TOTAL UK<br>AIRLINES | 2006<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES | TOTAL UK<br>AIRLINES | 2007<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES |
|------------------------------------------------------------|----------------------|--------------------------------|----------------------|----------------------|--------------------------------|----------------------|
| <b>ASSETS EMPLOYED :</b>                                   |                      |                                |                      |                      |                                |                      |
| <b>OPERATING EQUIPMENT AND PROPERTY (Owned and Leased)</b> |                      |                                |                      |                      |                                |                      |
| Aircraft fleet (including spares)                          | 13 600.8             | 10 874.7                       | 2 726.0              | 14 093.2             | 11 041.7                       | 3 051.5              |
| Less: provision for depreciation                           | 5 865.4              | 4 917.6                        | 947.8                | 6 325.4              | 5 248.2                        | 1 077.3              |
| Aircraft fleet after depreciation                          | 7 735.3              | 5 957.1                        | 1 778.2              | 7 767.8              | 5 793.5                        | 1 974.3              |
| Property and other equipment                               | 2 458.9              | 1 998.5                        | 460.5                | 2 674.6              | 2 157.2                        | 517.4                |
| Less: provision for depreciation                           | 1 161.6              | 856.2                          | 305.5                | 1 252.8              | 932.1                          | 320.8                |
| Property and other equipment after depreciation            | 1 297.3              | 1 142.3                        | 155.0                | 1 421.8              | 1 225.1                        | 196.7                |
| Payments on account of aircraft under construction         | 116.3                | -                              | 116.3                | 143.3                | -                              | 143.3                |
| <b>TOTAL</b>                                               | <b>9 148.9</b>       | <b>7 099.4</b>                 | <b>2 049.5</b>       | <b>9 332.9</b>       | <b>7 018.7</b>                 | <b>2 314.2</b>       |
| <b>INVESTMENTS</b>                                         |                      |                                |                      |                      |                                |                      |
| Group                                                      | 1 233.0              | 1 184.5                        | 48.5                 | 2 213.1              | 2 207.0                        | 6.1                  |
| Others                                                     | 66.5                 | 41.1                           | 25.5                 | 93.4                 | 24.3                           | 69.1                 |
| <b>TOTAL</b>                                               | <b>1 299.5</b>       | <b>1 225.6</b>                 | <b>74.0</b>          | <b>2 306.5</b>       | <b>2 231.3</b>                 | <b>75.2</b>          |
| <b>CURRENT ASSETS</b>                                      |                      |                                |                      |                      |                                |                      |
| Stocks and work in progress                                | 143.4                | 74.0                           | 69.4                 | 195.1                | 109.5                          | 85.7                 |
| Debtors and prepayments                                    | 2 044.2              | 949.9                          | 1 094.3              | 1 976.6              | 828.6                          | 1 147.9              |
| Short term deposits                                        | 1 639.2              | 1 639.2                        | -                    | 421.7                | 398.8                          | 22.9                 |
| Bank balance and cash                                      | 2 647.4              | 661.7                          | 1 985.7              | 2 300.4              | 433.0                          | 1 867.3              |
| Group companies advances and debts currently receivable    | 933.3                | 99.4                           | 834.0                | 1 055.2              | 116.0                          | 939.2                |
| Other items                                                | 18.8                 | -                              | 18.8                 | 515.2                | 277.4                          | 237.9                |
| <b>TOTAL</b>                                               | <b>7 426.4</b>       | <b>3 424.2</b>                 | <b>4 002.2</b>       | <b>6 464.1</b>       | <b>2 163.2</b>                 | <b>4 300.9</b>       |
| <b>Less: CURRENT LIABILITIES</b>                           |                      |                                |                      |                      |                                |                      |
| Creditors and accruals                                     | 2 831.0              | 1 408.7                        | 1 422.3              | 3 160.8              | 1 619.0                        | 1 541.8              |
| Traffic revenue received in advance                        | 1 631.9              | 979.3                          | 652.6                | 1 626.6              | 891.6                          | 735.0                |
| Taxation and Social Security                               | 252.0                | 76.7                           | 175.3                | 247.3                | 43.1                           | 204.2                |
| Dividends                                                  | -                    | -                              | -                    | -                    | -                              | -                    |
| Bank overdrafts and short term loans                       | 146.3                | 57.5                           | 88.8                 | 221.6                | 102.4                          | 119.2                |
| Instalments of borrowings and hire purchase (1 yr)         | 406.8                | 348.4                          | 58.4                 | 371.5                | 319.1                          | 52.5                 |
| Group Companies advances and debts currently payable       | 1 833.0              | 1 514.9                        | 318.1                | 1 896.6              | 1 542.7                        | 353.9                |
| Other Items                                                | 658.3                | 405.0                          | 253.3                | 401.0                | 167.7                          | 233.4                |
| <b>TOTAL CURRENT LIABILITIES</b>                           | <b>7 759.2</b>       | <b>4 790.4</b>                 | <b>2 968.7</b>       | <b>7 925.5</b>       | <b>4 685.5</b>                 | <b>3 239.9</b>       |
| <b>TOTAL NET CURRENT ASSETS / LIABILITIES</b>              | <b>( 332.8)</b>      | <b>(1 366.2)</b>               | <b>1 033.5</b>       | <b>(1 461.4)</b>     | <b>(2 522.4)</b>               | <b>1 061.0</b>       |
| <b>INTANGIBLE ASSETS</b>                                   |                      |                                |                      |                      |                                |                      |
| Pre- operational training and development                  | 1.4                  | -                              | 1.4                  | 2.6                  | -                              | 2.6                  |
| Goodwill Net Book Value                                    | 313.9                | -                              | 313.9                | 1 065.6              | -                              | 1 065.6              |
| Other items                                                | 222.7                | 173.4                          | 49.2                 | 239.5                | 181.2                          | 58.3                 |
| <b>TOTAL INTANGIBLE ASSETS</b>                             | <b>538.0</b>         | <b>173.4</b>                   | <b>364.5</b>         | <b>1 307.7</b>       | <b>181.2</b>                   | <b>1 126.5</b>       |
| <b>OTHER ASSETS</b>                                        |                      |                                |                      |                      |                                |                      |
| <b>TOTAL OTHER ASSETS</b>                                  | <b>163.0</b>         | <b>132.6</b>                   | <b>30.5</b>          | <b>502.2</b>         | <b>400.1</b>                   | <b>102.1</b>         |

**AMOUNTS RECEIVABLE (more than one year)**

|              |          |         |         |          |         |         |
|--------------|----------|---------|---------|----------|---------|---------|
| Group        | -        | -       | -       | -        | -       | -       |
| Other        | 58.2     | 10.2    | 48.0    | 53.8     | 9.4     | 44.4    |
| TOTAL ASSETS | 10 874.8 | 7 275.0 | 3 599.9 | 12 041.7 | 7 318.2 | 4 723.4 |

**Financed by: SHAREHOLDERS FUNDS**

|                       |         |       |        |         |         |       |
|-----------------------|---------|-------|--------|---------|---------|-------|
| Share Capital         | 640.6   | 288.0 | 352.7  | 657.8   | 288.4   | 369.5 |
| Share Premium account | 1 531.3 | 932.9 | 598.4  | 1 579.5 | 936.7   | 642.8 |
| Capital Reserves      | 327.9   | -     | 327.9  | 420.3   | -       | 420.3 |
| Revenue Reserves      | 1 025.7 | 591.5 | 434.2  | 1 974.4 | 1 426.5 | 547.9 |
| Revaluation Reserves  | ( 0.5)  | -     | ( 0.5) | 795.2   | -       | 795.2 |
| Other Reserves        | 174.2   | 82.2  | 92.1   | 112.6   | 7.2     | 105.4 |

**BORROWINGS ETC (replayable more than one year ahead]**

|                                     |         |         |       |         |         |       |
|-------------------------------------|---------|---------|-------|---------|---------|-------|
| Advances from other Group Companies | 204.2   | 203.7   | 0.5   | 239.1   | 238.7   | 0.4   |
| Bank Loans                          | 1 195.4 | 657.4   | 537.9 | 1 152.0 | 554.2   | 597.8 |
| Other Loans                         | 1 559.2 | 1 404.0 | 155.2 | 785.1   | 671.6   | 113.4 |
| Hire Purchase Liabilities           | 2 330.8 | 2 259.8 | 71.0  | 2 270.7 | 2 178.1 | 92.6  |

**DEFERRED LIABILITIES**

|               |          |         |         |          |         |         |
|---------------|----------|---------|---------|----------|---------|---------|
| Taxation      | 1 091.2  | 855.4   | 235.8   | 1 257.1  | 1 016.9 | 240.3   |
| Other         | 794.9    | -       | 794.9   | 797.9    | -       | 797.9   |
| TOTAL FINANCE | 10 874.8 | 7 275.0 | 3 599.9 | 12 041.7 | 7 318.2 | 4 723.4 |

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(£ Million)

|                                                            | TOTAL UK<br>AIRLINES | 2008<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES | TOTAL UK<br>AIRLINES | 2009<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES |
|------------------------------------------------------------|----------------------|--------------------------------|----------------------|----------------------|--------------------------------|----------------------|
| <b>ASSETS EMPLOYED :</b>                                   |                      |                                |                      |                      |                                |                      |
| <b>OPERATING EQUIPMENT AND PROPERTY (Owned and Leased)</b> |                      |                                |                      |                      |                                |                      |
| Aircraft fleet (including spares)                          | 14 976.0             | 11 463.1                       | 3 512.9              | 15 508.6             | 11 544.8                       | 3 963.8              |
| Less: provision for depreciation                           | 6 782.2              | 5 658.2                        | 1 124.0              | 7 286.6              | 6 021.8                        | 1 264.9              |
| Aircraft fleet after depreciation                          | 8 193.8              | 5 804.9                        | 2 388.9              | 8 221.9              | 5 523.1                        | 2 698.9              |
| Property and other equipment                               | 2 720.3              | 2 144.2                        | 576.1                | 2 784.6              | 2 141.6                        | 643.1                |
| Less: provision for depreciation                           | 1 351.8              | 965.9                          | 385.9                | 1 449.9              | 1 031.3                        | 418.7                |
| Property and other equipment after depreciation            | 1 368.5              | 1 178.3                        | 190.2                | 1 334.7              | 1 110.3                        | 224.4                |
| Payments on account of aircraft under construction         | 24.9                 | -                              | 24.9                 | 24.9                 | -                              | 24.9                 |
| <b>TOTAL</b>                                               | <b>9 587.2</b>       | <b>6 983.2</b>                 | <b>2 604.1</b>       | <b>9 581.5</b>       | <b>6 633.4</b>                 | <b>2 948.1</b>       |
| <b>INVESTMENTS</b>                                         |                      |                                |                      |                      |                                |                      |
| Group                                                      | 2 409.6              | 2 356.1                        | 53.5                 | 2 811.5              | 2 367.9                        | 443.7                |
| Others                                                     | 112.9                | 27.0                           | 85.9                 | 63.0                 | 21.0                           | 42.0                 |
| <b>TOTAL</b>                                               | <b>2 522.5</b>       | <b>2 383.1</b>                 | <b>139.4</b>         | <b>2 874.6</b>       | <b>2 388.9</b>                 | <b>485.7</b>         |
| <b>CURRENT ASSETS</b>                                      |                      |                                |                      |                      |                                |                      |
| Stocks and work in progress                                | 211.5                | 124.7                          | 86.9                 | 242.3                | 96.1                           | 146.3                |
| Debtors and prepayments                                    | 2 179.4              | 729.6                          | 1 449.8              | 1 862.3              | 725.3                          | 1 137.1              |
| Short term deposits                                        | 319.8                | 43.3                           | 276.5                | 1 213.5              | 907.9                          | 305.6                |
| Bank balance and cash                                      | 1 625.7              | 219.1                          | 1 406.6              | 2 516.2              | 756.3                          | 1 759.8              |
| Group companies advances and debts currently receivable    | 2 042.3              | 169.2                          | 1 873.1              | 1 766.5              | 136.5                          | 1 630.0              |
| Other items                                                | 83.1                 | 39.9                           | 43.3                 | 92.7                 | 74.2                           | 18.5                 |
| <b>TOTAL</b>                                               | <b>6 461.8</b>       | <b>1 325.7</b>                 | <b>5 136.1</b>       | <b>7 693.5</b>       | <b>2 696.2</b>                 | <b>4 997.4</b>       |
| <b>Less: CURRENT LIABILITIES</b>                           |                      |                                |                      |                      |                                |                      |
| Creditors and accruals                                     | 4 167.4              | 2 095.7                        | 2 071.7              | 3 819.7              | 1 631.2                        | 2 188.6              |
| Traffic revenue received in advance                        | 1 314.0              | 743.5                          | 570.6                | 1 495.2              | 874.5                          | 620.7                |
| Taxation and Social Security                               | 214.9                | 41.3                           | 173.6                | 178.6                | 29.9                           | 148.8                |
| Dividends                                                  | -                    | -                              | -                    | -                    | -                              | -                    |
| Bank overdrafts and short term loans                       | 216.5                | 56.9                           | 159.6                | 283.7                | 125.9                          | 157.7                |
| Instalments of borrowings and hire purchase (1 yr)         | 828.6                | 631.8                          | 196.7                | 624.2                | 428.5                          | 195.7                |
| Group Companies advances and debts currently payable       | 2 844.1              | 1 639.5                        | 1 204.6              | 3 572.0              | 2 737.4                        | 834.6                |
| Other Items                                                | 315.4                | 180.4                          | 135.0                | 473.8                | 256.9                          | 217.0                |
| <b>TOTAL CURRENT LIABILITIES</b>                           | <b>9 900.9</b>       | <b>5 389.1</b>                 | <b>4 511.8</b>       | <b>10 447.3</b>      | <b>6 084.3</b>                 | <b>4 363.0</b>       |
| <b>TOTAL NET CURRENT ASSETS / LIABILITIES</b>              | <b>(3 439.2)</b>     | <b>(4 063.4)</b>               | <b>624.3</b>         | <b>(2 753.8)</b>     | <b>(3 388.1)</b>               | <b>634.3</b>         |
| <b>INTANGIBLE ASSETS</b>                                   |                      |                                |                      |                      |                                |                      |
| Pre- operational training and development                  | -                    | -                              | -                    | 365.4                | -                              | 365.4                |
| Goodwill Net Book Value                                    | 362.3                | -                              | 362.3                | 424.5                | -                              | 424.5                |
| Other items                                                | 360.7                | 185.0                          | 175.7                | 293.1                | 190.3                          | 102.8                |
| <b>TOTAL INTANGIBLE ASSETS</b>                             | <b>723.0</b>         | <b>185.0</b>                   | <b>538.0</b>         | <b>1 083.0</b>       | <b>190.3</b>                   | <b>892.7</b>         |
| <b>OTHER ASSETS</b>                                        |                      |                                |                      |                      |                                |                      |
| <b>TOTAL OTHER ASSETS</b>                                  | <b>347.0</b>         | <b>343.0</b>                   | <b>4.0</b>           | <b>569.6</b>         | <b>535.5</b>                   | <b>34.2</b>          |

**AMOUNTS RECEIVABLE (more than one year)**

|              |          |         |         |          |         |         |
|--------------|----------|---------|---------|----------|---------|---------|
| Group        | 30.8     | -       | 30.8    | 29.0     | -       | 29.0    |
| Other        | 302.6    | 9.2     | 293.4   | 442.0    | 93.2    | 348.8   |
| TOTAL ASSETS | 10 073.9 | 5 840.1 | 4 233.9 | 11 825.8 | 6 453.0 | 5 372.8 |

**Financed by: SHAREHOLDERS FUNDS**

|                       |          |          |       |         |          |          |
|-----------------------|----------|----------|-------|---------|----------|----------|
| Share Capital         | 783.9    | 288.5    | 495.4 | 765.9   | 288.5    | 477.4    |
| Share Premium account | 1 592.6  | 936.8    | 655.8 | 1 594.9 | 936.8    | 658.1    |
| Capital Reserves      | 499.8    | -        | 499.8 | 834.8   | ( 4.3)   | 839.1    |
| Revenue Reserves      | 842.1    | 466.6    | 375.4 | ( 49.3) | 380.3    | ( 429.5) |
| Revaluation Reserves  | 24.1     | -        | 24.1  | 63.1    | -        | 63.1     |
| Other Reserves        | ( 418.1) | ( 465.9) | 47.8  | ( 81.0) | ( 106.8) | 25.8     |

**BORROWINGS ETC (replayable more than one year ahead]**

|                                     |         |         |       |         |         |         |
|-------------------------------------|---------|---------|-------|---------|---------|---------|
| Advances from other Group Companies | 310.5   | 279.0   | 31.6  | 1 137.8 | 266.7   | 871.1   |
| Bank Loans                          | 1 433.1 | 581.8   | 851.3 | 2 465.7 | 1 161.6 | 1 304.1 |
| Other Loans                         | 703.5   | 688.4   | 15.1  | 765.0   | 540.0   | 224.9   |
| Hire Purchase Liabilities           | 2 526.9 | 2 472.5 | 54.4  | 2 407.3 | 2 269.7 | 137.6   |

**DEFERRED LIABILITIES**

|               |          |         |         |          |         |         |
|---------------|----------|---------|---------|----------|---------|---------|
| Taxation      | 852.3    | 592.4   | 259.9   | 916.1    | 720.4   | 195.7   |
| Other         | 923.3    | -       | 923.3   | 1 005.5  | -       | 1 005.5 |
| TOTAL FINANCE | 10 073.9 | 5 840.1 | 4 233.9 | 11 825.8 | 6 453.0 | 5 372.8 |

MAJOR UNITED KINGDOM AIRLINES - INDIVIDUAL AIRLINES BALANCE SHEET SUMMARY 2004 - 2012

Table 2.5

(£ Million)

|                                                            | TOTAL UK<br>AIRLINES | 2010<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES | TOTAL UK<br>AIRLINES | 2011<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES |
|------------------------------------------------------------|----------------------|--------------------------------|----------------------|----------------------|--------------------------------|----------------------|
| <b>ASSETS EMPLOYED :</b>                                   |                      |                                |                      |                      |                                |                      |
| <b>OPERATING EQUIPMENT AND PROPERTY (Owned and Leased)</b> |                      |                                |                      |                      |                                |                      |
| Aircraft fleet (including spares)                          | 14 844.6             | 11 771.2                       | 3 073.5              | 16 791.9             | 12 086.0                       | 4 705.9              |
| Less: provision for depreciation                           | 7 581.4              | 6 280.6                        | 1 300.9              | 8 173.9              | 6 597.9                        | 1 576.0              |
| Aircraft fleet after depreciation                          | 7 300.7              | 5 490.6                        | 1 810.1              | 8 618.0              | 5 488.1                        | 3 129.9              |
| Property and other equipment                               | 2 784.6              | 2 151.4                        | 633.2                | 2 757.5              | 2 096.2                        | 661.3                |
| Less: provision for depreciation                           | 1 555.8              | 1 099.5                        | 456.3                | 1 551.5              | 1 092.7                        | 458.8                |
| Property and other equipment after depreciation            | 1 228.8              | 1 051.9                        | 176.9                | 1 206.0              | 1 003.6                        | 202.4                |
| Payments on account of aircraft under construction         | 178.7                | -                              | 178.7                | 164.0                | -                              | 164.0                |
| TOTAL                                                      | 8 708.1              | 6 542.5                        | 2 165.6              | 9 988.0              | 6 491.6                        | 3 496.4              |
| <b>INVESTMENTS</b>                                         |                      |                                |                      |                      |                                |                      |
| Group                                                      | 2 912.4              | 2 333.4                        | 579.0                | 2 760.3              | 2 303.8                        | 456.5                |
| Others                                                     | 132.2                | 17.9                           | 114.2                | 52.2                 | 24.7                           | 27.5                 |
| TOTAL                                                      | 3 044.5              | 2 351.3                        | 693.2                | 2 812.5              | 2 328.5                        | 483.9                |
| <b>CURRENT ASSETS</b>                                      |                      |                                |                      |                      |                                |                      |
| Stocks and work in progress                                | 248.7                | 95.9                           | 152.8                | 223.7                | 137.6                          | 86.1                 |
| Debtors and prepayments                                    | 1 634.3              | 584.2                          | 1 050.2              | 1 790.9              | 665.6                          | 1 125.3              |
| Short term deposits                                        | 1 459.7              | 1 153.2                        | 306.5                | 1 574.0              | 1 242.0                        | 332.0                |
| Bank balance and cash                                      | 2 655.9              | 753.3                          | 1 902.6              | 2 705.3              | 531.3                          | 2 174.0              |
| Group companies advances and debts currently receivable    | 1 928.8              | 160.6                          | 1 768.2              | 2 472.2              | 191.1                          | 2 281.1              |
| Other items                                                | 247.5                | 132.2                          | 115.3                | 202.2                | 73.5                           | 128.6                |
| TOTAL                                                      | 8 175.0              | 2 879.4                        | 5 295.6              | 8 968.2              | 2 841.1                        | 6 127.1              |
| <b>Less: CURRENT LIABILITIES</b>                           |                      |                                |                      |                      |                                |                      |
| Creditors and accruals                                     | 4 966.5              | 1 694.3                        | 3 272.2              | 4 445.7              | 2 053.5                        | 2 392.2              |
| Traffic revenue received in advance                        | 1 661.0              | 714.6                          | 946.4                | 1 599.3              | 707.0                          | 892.3                |
| Taxation and Social Security                               | 109.6                | 45.2                           | 64.3                 | 119.6                | 32.4                           | 87.2                 |
| Dividends                                                  | -                    | -                              | -                    | -                    | -                              | -                    |
| Bank overdrafts and short term loans                       | 310.0                | 162.9                          | 147.1                | 381.8                | 164.5                          | 217.3                |
| Instalments of borrowings and hire purchase (1 yr)         | 428.1                | 292.7                          | 135.4                | 306.9                | 207.1                          | 99.8                 |
| Group Companies advances and debts currently payable       | 3 755.1              | 2 671.9                        | 1 083.3              | 4 751.1              | 2 719.8                        | 2 031.3              |
| Other Items                                                | 543.8                | 279.8                          | 264.0                | 440.1                | 138.4                          | 301.6                |
| TOTAL CURRENT LIABILITIES                                  | 11 774.1             | 5 861.4                        | 5 912.6              | 12 044.4             | 6 022.7                        | 6 021.7              |
| TOTAL NET CURRENT ASSETS / LIABILITIES                     | (3 599.1)            | (2 982.0)                      | ( 617.1)             | (3 076.2)            | (3 181.6)                      | 105.4                |
| <b>INTANGIBLE ASSETS</b>                                   |                      |                                |                      |                      |                                |                      |
| Pre- operational training and development                  | 367.4                | -                              | 367.4                | -                    | -                              | -                    |
| Goodwill Net Book Value                                    | 443.5                | -                              | 443.5                | 718.9                | -                              | 718.9                |
| Other items                                                | 287.3                | 217.1                          | 70.2                 | 466.9                | 279.4                          | 187.5                |
| TOTAL INTANGIBLE ASSETS                                    | 1 098.2              | 217.1                          | 881.1                | 1 185.8              | 279.4                          | 906.4                |
| <b>OTHER ASSETS</b>                                        |                      |                                |                      |                      |                                |                      |
| TOTAL OTHER ASSETS                                         | 692.1                | 626.6                          | 65.6                 | 1 356.5              | 1 120.6                        | 235.9                |

**AMOUNTS RECEIVABLE (more than one year)**

|              |          |         |         |          |         |         |
|--------------|----------|---------|---------|----------|---------|---------|
| Group        | 165.5    | -       | 165.5   | 152.2    | -       | 152.2   |
| Other        | 300.2    | 163.2   | 137.0   | 263.9    | 166.6   | 97.4    |
| TOTAL ASSETS | 10 409.6 | 6 918.6 | 3 491.0 | 12 682.7 | 7 205.1 | 5 477.6 |

**Financed by: SHAREHOLDERS FUNDS**

|                       |         |         |          |          |          |          |
|-----------------------|---------|---------|----------|----------|----------|----------|
| Share Capital         | 874.6   | 288.5   | 586.1    | 1 232.5  | 289.6    | 942.9    |
| Share Premium account | 1 049.7 | 936.8   | 112.9    | 2 005.5  | 937.5    | 1 068.1  |
| Capital Reserves      | 67.3    | ( 3.2)  | 70.5     | 992.5    | -        | 992.5    |
| Revenue Reserves      | 290.2   | 615.4   | ( 325.1) | 668.7    | 1 220.5  | ( 551.8) |
| Revaluation Reserves  | -       | -       | -        | -        | -        | -        |
| Other Reserves        | 32.3    | ( 25.3) | 57.6     | ( 274.0) | ( 289.0) | 15.0     |

**BORROWINGS ETC (replayable more than one year ahead]**

|                                     |         |         |         |         |         |         |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| Advances from other Group Companies | 1 314.1 | 254.8   | 1 059.2 | 544.1   | 380.0   | 164.1   |
| Bank Loans                          | 1 523.0 | 1 261.8 | 261.3   | 2 096.9 | 1 038.5 | 1 058.4 |
| Other Loans                         | 732.2   | 619.1   | 113.2   | 720.2   | 717.9   | 2.2     |
| Hire Purchase Liabilities           | 2 487.3 | 2 219.2 | 268.1   | 2 616.4 | 2 176.7 | 439.7   |

**DEFERRED LIABILITIES**

|               |          |         |         |          |         |         |
|---------------|----------|---------|---------|----------|---------|---------|
| Taxation      | 903.3    | 751.4   | 151.9   | 972.9    | 733.4   | 239.5   |
| Other         | 1 135.5  | -       | 1 135.5 | 1 107.0  | -       | 1 107.0 |
| TOTAL FINANCE | 10 409.6 | 6 918.6 | 3 491.0 | 12 682.7 | 7 205.1 | 5 477.6 |



MAJOR UNITED KINGDOM AIRLINES - INDIVIDUAL AIRLINES BALANCE SHEET SUMMARY 2004 - 2012

Table 2.5

(£ Million)

|                                                            | TOTAL UK<br>AIRLINES | 2012<br>BRITISH<br>AIRWAYS PLC | OTHER UK<br>AIRLINES |
|------------------------------------------------------------|----------------------|--------------------------------|----------------------|
| ASSETS EMPLOYED :                                          |                      |                                |                      |
| <b>OPERATING EQUIPMENT AND PROPERTY (Owned and Leased)</b> |                      |                                |                      |
| Aircraft fleet (including spares)                          | 16 609.0             | 12 648.4                       | 3 960.6              |
| Less: provision for depreciation                           | 8 278.5              | 7 051.6                        | 1 226.8              |
| Aircraft fleet after depreciation                          | 8 330.5              | 5 596.7                        | 2 733.8              |
| Property and other equipment                               | 2 619.1              | 2 132.0                        | 487.0                |
| Less: provision for depreciation                           | 1 454.8              | 1 158.8                        | 296.0                |
| Property and other equipment after depreciation            | 1 164.3              | 973.2                          | 191.1                |
| Payments on account of aircraft under construction         | 108.3                | -                              | 108.3                |
| TOTAL                                                      | 9 603.1              | 6 570.0                        | 3 033.2              |
| <b>INVESTMENTS</b>                                         |                      |                                |                      |
| Group                                                      | 2 421.5              | 2 372.2                        | 49.3                 |
| Others                                                     | 61.8                 | 27.8                           | 34.0                 |
| TOTAL                                                      | 2 483.4              | 2 400.0                        | 83.3                 |
| <b>CURRENT ASSETS</b>                                      |                      |                                |                      |
| Stocks and work in progress                                | 183.4                | 115.9                          | 67.5                 |
| Debtors and prepayments                                    | 1 793.3              | 692.4                          | 1 101.0              |
| Short term deposits                                        | 1 422.2              | 1 115.5                        | 306.7                |
| Bank balance and cash                                      | 2 072.2              | 420.4                          | 1 651.8              |
| Group companies advances and debts currently receivable    | 1 882.8              | 429.4                          | 1 453.4              |
| Other items                                                | 251.4                | 136.9                          | 114.5                |
| TOTAL                                                      | 7 605.3              | 2 910.4                        | 4 694.9              |
| <b>Less: CURRENT LIABILITIES</b>                           |                      |                                |                      |
| Creditors and accruals                                     | 5 573.5              | 1 687.2                        | 3 886.3              |
| Traffic revenue received in advance                        | 1 672.7              | 796.0                          | 876.7                |
| Taxation and Social Security                               | 111.6                | 34.8                           | 76.8                 |
| Dividends                                                  | -                    | -                              | -                    |
| Bank overdrafts and short term loans                       | 311.5                | 152.1                          | 159.5                |
| Instalments of borrowings and hire purchase (1 yr)         | 327.7                | 295.1                          | 32.6                 |
| Group Companies advances and debts currently payable       | 3 532.4              | 2 922.1                        | 610.3                |
| Other Items                                                | 1 166.0              | 976.7                          | 189.4                |
| TOTAL CURRENT LIABILITIES                                  | 12 695.5             | 6 864.1                        | 5 831.5              |
| TOTAL NET CURRENT ASSETS / LIABILITIES                     | (5 090.2)            | (3 953.7)                      | (1 136.5)            |
| <b>INTANGIBLE ASSETS</b>                                   |                      |                                |                      |
| Pre- operational training and development                  | 367.0                | -                              | 367.0                |
| Goodwill Net Book Value                                    | 409.2                | -                              | 409.2                |
| Other items                                                | 865.4                | 753.0                          | 112.4                |
| TOTAL INTANGIBLE ASSETS                                    | 1 641.6              | 753.0                          | 888.6                |
| <b>OTHER ASSETS</b>                                        |                      |                                |                      |
| TOTAL OTHER ASSETS                                         | 1 511.4              | 1 202.2                        | 309.2                |

**AMOUNTS RECEIVABLE (more than one year)**

|                     |                 |                |                |
|---------------------|-----------------|----------------|----------------|
| Group               | 137.8           | -              | 137.8          |
| Other               | 242.0           | 162.0          | 80.0           |
| <b>TOTAL ASSETS</b> | <b>10 529.0</b> | <b>7 133.5</b> | <b>3 395.5</b> |

**Financed by: SHAREHOLDERS FUNDS**

|                       |          |          |         |
|-----------------------|----------|----------|---------|
| Share Capital         | 1 306.9  | 289.6    | 1 017.2 |
| Share Premium account | 1 004.7  | 937.5    | 67.2    |
| Capital Reserves      | 245.5    | -        | 245.5   |
| Revenue Reserves      | 1 705.9  | 1 529.4  | 176.5   |
| Revaluation Reserves  | -        | -        | -       |
| Other Reserves        | ( 171.8) | ( 214.8) | 43.0    |

**BORROWINGS ETC (replayable more than one year ahead]**

|                                     |         |         |       |
|-------------------------------------|---------|---------|-------|
| Advances from other Group Companies | 570.1   | 392.0   | 178.2 |
| Bank Loans                          | 1 524.4 | 1 040.4 | 484.0 |
| Other Loans                         | 505.5   | 401.5   | 104.0 |
| Hire Purchase Liabilities           | 2 333.3 | 2 155.6 | 177.7 |

**DEFERRED LIABILITIES**

|                      |                 |                |                |
|----------------------|-----------------|----------------|----------------|
| Taxation             | 774.4           | 602.4          | 172.0          |
| Other                | 730.2           | -              | 730.2          |
| <b>TOTAL FINANCE</b> | <b>10 529.0</b> | <b>7 133.5</b> | <b>3 395.5</b> |

**Notes**

2004 - BMI British Midland includes Bmibaby Ltd (With effect from March 2004)results as well as BMI Regional

2004 - My Travel Airways Ltd report covers a 13 month period

2005 - Astraeus Ltd report covers a 13 month period.

2006 - Astraeus Ltd report covers a 13 month period.

2007 - First Choice Airways Ltd report covers a 11 month period

2008 -Thomas Cook Airlines report covers a 18 month period

2010 - Atlantic Airlines Ltd report covers a 19 month period.

2010 - British Airways Plc report covers a nine month period.

2010 - BA Cityflyer Ltd report covers a nine month period

2011 - Astraeus Ltd report covers a 11 month period.